

IRS News Release

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Honda Hybrids Still Qualify for Tax Credit

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WASHINGTON — The Internal Revenue Service announced that purchasers of American Honda Motor Company, Inc., qualified vehicles may continue to claim the Alternative Motor Vehicle Credit.

The announcement comes after the IRS concluded its quarterly review of the number of hybrid vehicles sold. Honda sold 6,518 qualifying vehicles to retail dealers in the quarter ending June 30 2007. This brings the cumulative number of qualified Honda hybrid vehicles sold as of June 30, 2007, to 58,872.

The credit amount and make and model of qualified vehicles sold are:

Honda Accord Hybrid Model Year 2005	\$650
Honda Accord Hybrid, Model Year 2007	\$1,300
Honda Accord Hybrid Navi Model Year 2007	\$1,300
Honda Civic Hybrid Model Year 2007	\$2,100

Original purchasers of these vehicles may claim the full amount of the credit up to the end of the first calendar quarter after the quarter in which the manufacturer records its sale of the 60,000th vehicle. For the second and third calendar quarters after the quarter in which the 60,000th vehicle is sold, taxpayers may claim 50 percent of the credit. For the fourth and fifth calendar quarters, taxpayers may claim 25 percent of the credit. No credit is allowed after the fifth quarter.

More information on hybrid vehicles and other alternative motor vehicles can be found at IRS.gov.